Debarred from Appointment to the Public Service.

READ—

Correspondence ending with letter No. 89, dated 26th October 1929, from the Superintendent, Revenue Survey and Settlements in Mysore, reporting on the conduct of K. B. Mohan Ponde.

ORDER NO. 2636-2835—C. R. B. 20-29-1, DATED 22ND NOVEMBER 1929.

In response to a Notification dated 6th August 1928, calling for applications from candidates possessing at least the S. S. L. C. qualification for admission to the Survey Class to be opened for training men for the Record of Rights Work, one K. B. Mohan Ponde, residing at No. 109, Srinivasa Mandiram Lane, Balepet, Bangalore City, submitted an application to the Central Recruitment Board on the 28th idem in which he stated that he had studied up to the Intermediate Examination and was willing to undergo the Record of Rights Training. His application was sent to the Superintendent of Revenue Survey and Settlements along with those of others possessing the prescribed qualifications and he was eventually selected by the Superintendent for admission to the Training Class.

After the completion of the Training, Mohan Ponde was posted for work in the Mysore Circle. When he reported himself for duty in that Circle on 3rd August 1929, it was found on enquiry that he had not passed the S. S. L. C. Examination, but had got admission to the Survey Training Class by making a false statement. The Superintendent of Revenue Survey to whom the matter was reported by the Circle Officer is of the opinion that it is not desirable to retain such men in the service. He accordingly recommends that the services of Mohan Ponde may be dispensed with and that he may be debarred from entry into service for such period as Government think fit.

Government agree with the Superintendent, in the view put forward by him and direct that Mohan Ponde be debarred from appointment to the Public Service in Mysore for two years and that his services be dispensed with immediately.

R. RANGA RAO,
Offg. *Chief Secretary to Government.*

DEVELOPMENT SECRETARIAT.

Bye-laws of the Mysore Co-operative Land Mortgage Bank.

READ—

Letter No. 499—C. S., dated the 18th—20th July 1929, from the Registrar of Co-operative Societies in Mysore forwarding a set of draft bye-laws for the working of the Mysore Co-operative Land Mortgage Bank.

ORDER NO. G. 5927-8—L.M. 4-29-3, DATED 11TH NOVEMBER 1929.

Under Section 53 of the Mysore Co-operative Societies Regulation, VII of 1918, as amended by Regulation V of 1929, Government are pleased to approve of the accompanying bye-laws of the Mysore Co-operative Land Mortgage Bank.

N. RAMA RAO,
Secretary to Government,
Development Departments.

THE MYSORE CO-OPERATIVE LAND MORTGAGE BANK, LTD., BANGALORE CITY.

Bye-laws (as approved by Government.)

Name.

1. The name of the Bank is the Mysore Co-operative Land Mortgage Bank, Limited, Bangalore City.

Address.

2. The registered address of the Bank is Bangalore City, where the office of the Bank shall be situated.

Objects.

3. The main object of the Bank is the relief of agricultural indebtedness by the provision of long term mortgage credit to *bona fide* land owning members.

Membership.

4. The members of the Bank shall consist of :

(i) Persons, whether agriculturists or non-agriculturists, residing or carrying on business within the limits of the State, who have attained the age of majority and are legally capable of entering into a contract ;

(ii) Local Land Mortgage Societies registered under the Mysore Co-operative Societies Regulation ; and

(iii) Other Co-operative Societies registered under the Mysore Co-operative Socities Regulation.

5. A Local Land Mortgage Society which is a member of the Bank shall be termed an "Affiliated Society."

6. A person or registered society wishing to become a member of the Bank shall apply to the Secretary of the Bank in the prescribed application form for membership. The application shall be accompanied by an entrance fee of Re. 1, a share fee of annas four for each share applied for, and also, a sum not less than the first instalment of Rs. 10 towards each share applied for.

7. The application shall be considered by the Board of Directors of the Bank and if it thinks fit, the applicant may be admitted as a member of the Bank and allotted the full number of shares applied for or such smaller number as the Board may deem fit. The Board may reject any application for membership without assigning reasons. In the event of the application being rejected in full, the total amount paid by the applicant with the application shall be refunded to him. If only a smaller number of shares than applied for is allotted, the proportionate share fee and share instalment shall be refunded or credited to his share account.

8. Every person or registered society whose application for membership has been accepted by the Board of Directors shall be deemed to have become a member of the Bank and to have acquired all the rights and liabilities of a member from the date of such acceptance.

9. Every member of the Bank shall hold at least one share. No individual member can at any time hold more than 20 shares.

10. The name and address of every person admitted to membership as set forth in the application shall be entered in the Register of Members. All changes in their addresses shall be intimated to the Secretary by the members and the same duly entered in the said Register.

11. (*a*) Every person who is a member of the Bank may nominate any person to succeed, in the event of his death, to his share or interest in the Bank. Subject to the other bye-laws, such nomination shall, in the event of his death, be given effect to by the Bank. Provided that

(i) the nomination has been registered in the books of the Bank maintained for the purpose; and

(ii) the person nominated is admitted by the Board of Directors to membership.

(*b*) No fees shall be charged for registering the nomination for the first time, but for registering every subsequent change, a fee of four annas shall be charged.

Cessation of Membership.

12. (a) A registered society admitted to membership shall cease to be a member of the Bank if it is removed from membership or if it is dissolved.

(*b*) Any other member shall cease to be a member of the Bank on death, expulsion, insolvency, ceasing to hold any share of the Bank (by withdrawal, transfer, resignation or forfeiture) and permanent removal of residence from within the limits of the Mysore State.

13. The Directors shall have power to remove any member for persistent default in respect of any sums due to the Bank.

14. The Board of Directors shall remove from membership any person who, being a member of the Bank,

(*a*) deliberately commits a serious breach of the rules or the by-laws; or

(*b*) wilfully deceives the Bank by false statements or fictitious documents or endeavours in any way to defraud the Bank; or

(*c*) is declared insolvent; or

(*d*) is convicted of any criminal offence which, in the opinion of the Board, is such as to render him unfit to continue as a member of the Bank; or

(*e*) becomes legally or mentally disabled; or

(*f*) does any act which is likely to be injurious to the credit, reputation or stability of the Bank.

15. When a member or registered society ceases to be a member of the Bank, the Board of Directors shall remove his name from the list of members and shall pay him back within a reasonable period the share capital actually paid by him with the dividend declared, if any, after deducting therefrom the money, if any, due from him to the Bank either as principal debtor or as surety.

16. (*a*) On the death of a member, his nominee, if any, registered in the books of the Bank under bye-law 11 (a) or heir or legal representative in interest may, on application, be admitted as a shareholder of the Bank if he is not already one, and the Board of Directors may, subject to the limit prescribed in bye-law 9 transfer the shares held by the deceased member to such applicant on payment of a fee of four annas for each share transferred.

(*b*) Should, however, such a transfer be not made, the Board shall pay the share capital paid by the deceased with the dividends, if any, due up to the date of payment after the same has been declared, to the heir, representative in interest or the nominee of the deceased under the bye-laws in force at the time, after deducting the amounts due to the Bank from the deceased member.

Funds.

17. (*a*) The Bank will ordinarily obtain its funds from the following sources .—

(i) Share subscriptions ;
(ii) Deposits ;
(iii) Debentures ; and
(iv) Grants and other miscellaneous items.

(*b*) Provided that the liabilities of the Bank by way of deposits, issue of debentures or otherwise shall at no time exceed twelve times the subscribed share capital plus reserve fund.

Liability.

18. The liability of a member is limited to the value of the share or shares held by him.

19. (i) A past member shall be liable for the debts of the Bank as they existed on the date when he ceased to be a member and such liability shall continue for a period of two years after the date of cessation of membership.

(ii) The estate of a deceased member shall be liable for the debts of the Bank as they existed on the date of his decease for a period of one year after his decease.

Transfer of Shares.

20. No member shall be permitted to transfer his share or shares except with the previous sanction of the Board of Directors.

21. Every transferee of a share or shares shall pay a fee of four annas for every share so transferred.

Withdrawal from Membership.

22. No member shall be permitted to withdraw any of the shares held by him in the Bank before the expiry of ten years from the date when such shares were allotted to him. After that period is over a member may withdraw shares with the consent of the Board of Directors. Provided firstly, that he has given at least six months' notice of withdrawal; secondly, that the total amount of share capital that is permitted to be withdrawn in any one year does not exceed ten per cent of the aggregate paid-up share capital of the Bank as it was on June 30th preceding; thirdly that there are no debts due from him to the Bank; and fourthly, that there are no debts due to the Bank in regard to which he has stood surety. When a member withdraws shares under this bye-law he shall be paid back the share capital actually paid by him with the dividend declared if any. For the purpose of calculating the maximum amount of share capital withdrawable in any one year in accordance with this bye-law, all repayments of share capital whether by way of adjustment or otherwise, are to be included except such as are made under bye-laws 15 and 16 (b).

23. No affiliated society will be permitted to withdraw from membership.

Shares.

24. The share capital of the Bank shall, for the present, be fixed at Rs. 5 lakhs made up of 10,000 shares of the value of Rs. 50 each.

Payment of Share Money.

25. The members shall, subject to the provisions contained in bye-law No. 6, pay the amount of share or shares allotted to them either in one lumpsum or in monthly instalments of Rs. 5 each for each share held and the same shall be paid on or before the 15th of the month for which the instalment is due. Default interest at the rate of two pies per rupee per month shall be levied on all overdue share instalments.

26. If the share instalments remain unpaid for more than three months, the Board of Directors may declare such shares cancelled and payments made thereon, if any, forfeited and the rights of membership if any, attaching to these shares extinct. Such shares may, however, be renewed, if the Board of Directors permits, within a period of three months from the date of notice of forfeiture, on payment of all arrear amounts including interest and renewal fee of one rupee per share.

Deposits.

27. The Board of Directors may receive deposits at their discretion either from members or others and it shall be open to them to settle the terms on which deposits shall be taken, provided that the interest on such deposits shall not, in any case, exceed

$6\frac{1}{2}$ per cent per annum, and provided also that no deposit shall be received for a period of less than two years.

Debentures.

28. Subject to bye-law 17 (*b*) and subject to the condition that the total loan raised does not exceed 20 lakhs of rupees, and subject also to the provisions contained in Section 56 of the Mysore Co-operative Societies Regulation of 1929, the Bank may raise loans from time to time by the issue of debenture bonds bearing interest not exceeding six per cent per annum and liable to be redeemed within such period not exceeding 30 years as may be prescribed by the Bank.

29. The Bank shall, once every year, draw for redemption by lot as many debenture bonds as its financial condition permits, or, if the Bank deems it preferable, it may re-purchase its bonds instead of drawing them by lot. Provided that the Bank shall not redeem or repurchase any debenture bond issued by it within a period of ten years from the date of issue of the bond.

30. The Bank shall be at liberty to effect a reduction in the rate of interest payable on any series of debenture bonds at any time after the expiry of the minimum period of redemption thereof, and provided that option is given to the holders of such bonds to accept payment in cash at par.

31. The previous sanction of Government will be necessary for :—

(i) the conversion of one class of debentures into another class bearing a different rate of interest; or

(ii) for any other matters in which the Government may desire that their previous sanction should be obtained.

32. (i) Debentures which, by reason of damage sustained, have become unfit for circulation, provided however, that the essential marks for genuineness and identity are still recognizable, especially the number, the amount, the rate of interest, the date and signatures of the authorised executing officers of the Board of Directors, will be replaced at the request of the holder on giving up the damaged or defaced debentures. Fresh debentures shall also be issued to replace completely destroyed debentures when, in the opinion of the Board of Directors, the fact of destruction is proved without any doubt or uncertainty.

(ii) When such proof is not produced or when in case of damage the essential marks on the debenture are lost and no longer recognizable, as well as in all cases in which the debenture has been stolen from the owner or has been in other ways mislaid, a new debenture will only be issued when the debenture which is alleged to be missing or unrecognizable has been previously advertised for by the claimant in the manner prescribed by the Board of Directors and its nullity legally declared.

(iii) The re-issue shall be made for the same amount under the same number with the addition of the word "renewed" and at the cost of the debenture-holder concerned.

33. The debenture shall be signed and executed by at least three members of the Board of Directors of whom the President shall be one. The Bank shall have a special seal to be used for debentures and the seal shall remain in the safe custody of the President.

34. Debentures in respect of which notice of redemption has been given to the holders by the Board of Directors must be given up on the expiry of the term mentioned in the notice and if the debentures are not so given up, the holder shall have no claim upon the Bank for interest accruing after the expiry of the term.

35. The capital raised by debentures shall be earmarked for the grant of long term loans on the mortgage of agricultural land, short term loans, if any, being granted out of share capital and deposits.

36. Whenever a Trustee is appointed by Government, the Bank shall, if so required by the Trustee, transfer to him its right in the mortgages on the security of which debentures are issued. The Bank shall also credit to an account opened in the Trustee's name in such other Bank as may be approved by him, all recoveries made from members of the Bank under the terms of their mortgage deeds. The Bank shall also carry out all instructions that may, from time to time, be issued by the Trustee under the powers vested in him by the Mysore Co-operative Societies Regulation and the Rules thereunder.

Loans.

37. The lending operations of the Bank shall, for the present, be confined to the Taluks of Sagar, Koppa, Saklespur and Tumkur.

38. Loan shall be granted only to members, but no registered society, other than a Local Land Mortgage Society, shall be granted loans. No member can claim a loan as a matter of right. Applications for loans shall be disposed of by the Board of Directors.

39. All applications for loans shall be made to the Secretary in the form prescribed for the purpose. He shall place them before the Board of Directors who shall have discretion to grant or reject loans without assigning any reasons.

40. Loans may be given by the Bank only for the following purposes:—

(*a*) Redemption of subsisting mortgages on agricultural land;

(*b*) Liquidation of other prior debts of agriculturists;

(*c*) Improvement of land or for the better cultivation of it; and

(*d*) Current agricultural operations.

41. The Bank may grant loans either through Local Land Mortgage Societies or direct to individual borrowers.

42. The minimum and maximum amount of loans to be granted to any one person through a Local Land Mortgage Society shall be Rs. 500 and Rs. 5,000 respectively. Provided that the maximum amount of loans granted through any one such society shall not exceed Rs. 30,000 and provided also that the Local Land Mortgage Society shall be surety to the Land Mortgage Bank for all loans granted through it to the members. Loans granted through Local Land Mortgage Societies also, shall be subject to the conditions laid down in the bye-laws governing direct loans in all other respects. In the case of individuals borrowing direct from the Bank, the loan shall not be less than Rs. 2,000 or more than Rs. 5,000.

43. Long term loans shall be granted for redemption of subsisting mortgages on agricultural land or for liquidation of other prior debts or for the improvement of land, and short term loans shall be granted for the better cultivation of land or for current agricultural operations.

Provided that no loan for the improvement or the better cultivation of agricultural land or for current agricultural operations shall be granted except to a member who has been previously granted a long term loan for the redemption of subsisting mortgages or for liquidation of other prior debts, and whose mortgage is subsisting.

44. (i) Loans granted by the Bank shall bear interest at rates fixed from time to time but not exceeding

(*a*) a maximum of eight per cent per annum in the case of long term loans; and

(*b*) a maximum of nine per cent per annum on short term loans.

(ii) In the case of loans granted through a Local Land Mortgage Society the rates of interest charged to the Society shall be such as to enable the members borrowing through such Society to get loans at rates not exceeding those charged by the Bank to individual persons borrowing direct from it.

45. Should a borrower fail to repay his loan or instalment thereof within the stipulated time, he shall be liable to pay interest at ten per cent per annum on the instalments actually overdue from the due date to the date of settlement

46. Long term loans granted by the Bank shall be repayable in equal yearly instalments which shall not be less than 25 or more than 30 as may be fixed by the Board of Directors, and shall not be liable to be recalled except under the provisions of Section 59 of the Mysore Co-operative Societies Regulation of 1929. Nothing in this bye-law shall be considered to preclude the borrower from repaying his loans wholly or in part at any earlier time.

47. Long term loans and the interest due thereon shall be discharged by a system of equated payments, but the borrower will be at liberty to pay larger sums according to his convenience.

48. Long term loans granted by the Bank shall not exceed 50 per cent of the value of the property which is mortgaged to the Bank on account of these loans.

49. The valuation of the properties offered as security for loans shall be made by the Bank in accordance with the principles of land valuation to be prescribed by the Board of Directors and approved by the Registrar of Co-operative Societies.

50. When a mortgage deed is executed by a member, the Board of Directors shall insist on all persons interested in the property joining in the execution whether such persons are themeselves members or not.

51. Every application for a loan shall be accompanied by the title deeds and other documents relating to the land proposed to be mortgaged.

52. When a member from whom money is due pays any sum, it shall be appropriated in the following order:—

Firstly to fees, postal, registration, and other miscellaneous charges due by him.

Secondly to interest; and

Thirdly to principal.

Profits.

53. The net profits of the Bank as declared by the Registrar every year shall be disposed of as shown below;—

(i) Not less than ten per cent shall be carried to the credit of the Reserve fund;

(ii) Out of the remainder, a dividend subject to a maximum of five per cent per annum on the paid-up value of each share may be paid to members, proportionately to the amount of paid-up share capital held by each and also the period during which the paid-up share capital was so held during the year; and

(iii) the balance shall be added to the Reserve Fund.

NOTE.—All undisbursable and indivisible profits shall be added to the Reserve Fund.

Reserve Fund.

54. A Reserve Fund shall be formed by the Bank. To this shall be carried

(i) A sum not less than ten per cent of the net profits of every year,

(ii) the interest on the capital of this fund,

(iii) amounts not claimed and amounts forfeited, and

(iv) any other funds which may be credited to the Reserve Fund by the General Body of members.

55. The Reserve Fund shall be invested in such manner as the Registrar of Co-operative Societies may prescribe and shall not be drawn upon except with his sanction.

56. With the previous sanction of the Registrar, the loss in any year may be met from the Reserve Fund, provided that no dividend on the shares is paid that year.

57. In case of the dissolution of the Bank, the Reserve Fund and other funds contributed by it under

the provisions of its bye-laws may be applied in such manner and to such purposes not inconsistent with the Regulation and Rules as may be determined, with the approval of the Registrar, by the majorty of the members.

Management.

58. The administration of the Bank shall be vested in the following :—

(*a*) Board of Directors;
(*b*) Board of Supervision ; and
(*c*) General Body of the Members of the Bank.

Board of Directors.

59. (*a*) The Board of Directors shall consist of a President and not more than 14 members. Of the members one shall be nominated by Government as provided in Section 54 of the Mysore Co-operative Societies Regulation 1929 and three shall be selected to represent debenture holders as provided in Section 55 of the Regulation and in accordance with rules to be prescribed by Government. The remaining members and the President shall be elected by the General Body of the members of the Bank.

(*b*) The President as well as the other members of the first Board of Directors shall be nominated by Government and shall hold office for a period of two years, at the end of which they shall be replaced by a Board constituted in the manner laid down in bye-law 59 (*a*).

60. The President and other members of the Board of Directors shall hold office for one year or until their successors are appointed.

61. A retiring President or Director shall be eligible for re-election.

62. The Board of Directors shall administer and conduct the affairs of the Bank, prepare and issue agreements, declarations, etc.

63. The following shall be the office bearers of the Bank :—

(1) The President ;
(2) The Honorary Treasurer, where one such is appointed ; and
(3) The Secretary.

64. Subject to such resolutions as the Board of Directors may, from time to time pass, the several officers of the Bank shall have the powers mentioned below ;—

(*a*) The President shall have a general control over all the affairs of the Bank. He shall also have power to appoint the members of the establishment as well as to fine, suspend or dismiss them, subject to the approval of the Board of Directors in the case of those carrying a salary higher than Rs. 50 per mensem.

(*b*) The President shall be the officer to sue or be sued on behalf of the Bank.

(*c*) All bonds in favour of the Bank and all bonds executed by the Bank except Debenture Bonds shall be in the name of the President.

(*d*) The President, if present, shall preside at the meetings of the Board. In the absence of the President, the other directors present may elect a chairman from among themselves to preside at the meeting.

(*e*) Whenever the President is obliged to absent himself from his office by indisposition or for any other cause, one of the other directors elected by the Board from among themselves shall officiate for the President and exercise the powers and perform the duties of the President.

65. (*a*) The Board of Directors shall have power to appoint one of themselves as Honorary Treasurer.

(*b*) The Honorary Treasurer shall have custody of all properties of the Bank and shall take charge of all moneys received by the Bank from the members and from others and shall make disbursements in accordance with the directions of the Board. He shall sign the cash book in token of its correctness and produce the cash balance whenever called upon to do so by the Board or Auditor.

66. The Secretary shall be a salaried officer. He shall be responsible for the executive administration of the Bank, subject to the control of the President.

67. The President, by virtue of his office, and the Honorary Treasurer or the Secretary when specially authorised thereto by the Board of Directors, shall have power, singly or jointly to execute all documents, grant receipts, and sign cheques and papers and to transfer or negotiate in negotiable instruments. In the case of share certificates, however, they shall be signed both by the President and the Honorary Treasurer or the Secretary where an Honorary Treasurer or a Secretary has been appointed, or any one Director.

68. It shall be competent to the President to direct that any particular question or questions be decided by circulation of papers, by post or otherwise, among the members of the Board, provided that all the members of the Board shall have had a reasonable opportunity of expressing their opinions and that such decision shall have been concurred in by an absolute majority of the total number of members of the Board.

69. Any casual vacancy occurring in the office of the President or other Director by death, resignation or any other cause shall be filled up for the unexpired term of his office by the remaining members of the Board.

70. Any member of the Board who fails to attend three consecutive meetings of the Board shall be deemed to have *ipso facto* vacated his office.

71. A vacancy occurring in the Board by the resignation of the President or other Director shall take effect from the date on which the Bank receives the resignation in its office.

72. The Board may function notwithstanding any vacancy in its number.

73. The entire executive authority of the Bank shall be vested in the Board of Directors. Five

Directors including the President or other Director presiding shall form the quorum for a meeting of the Board. All questions before the Board shall be decided by a majority of votes. The Chairman shall have a second or casting vote in case of an equality of votes.

74. The Board shall meet once a month or oftener if necessary to conduct the affairs of the Bank. No member of the Board of Directors shall be entitled to be present at a meeting when any matter in which he is personally interested is being discussed.

75. Any member of the Board of Directors who commits default for more than three months in respect of a loan taken by him from the Bank shall *ipso facto* be considered disqualified to continue as a member of the Board.

76. It shall be the duty of the Board of Directors to maintain such accounts and registers as are prescribed by the Registrar from time to time, to place before a meeting of the General Body the Rigistrar's notes of audit or inspection, within one month from the date of receipt, to correspond with the Registrar and to do all other business relating to the Bank.

77. The Board of Directors shall have power to prescribe from time to time the scale of office establishment and to incur such expenditure as may be necessary for the management of the Bank with reference to the scale and within the budget allotment sanctioned by the General Body for each year.

78. It shall be competent to the Board of Directors to frame subsidiary instructions for the conduct of the business of the Bank consistent with the Regulation, the Rules under the Regulation and these bye-laws. Such subsidiary bye-laws shall be entered in the minute book of the Bank and they shall be reported to the Registrar of Co-operative Societies for approval.

79. The Board of Directors shall be competent to fix the amount and nature of the security, if any, to be given by the members of the office establishment.

80. The members of the Board of Directors shall be responsible for the good management of the Bank. They shall be liable to the Bank for any wilful neglect of their duties and for any distribution of profits or disposal of assets contrary to the provisions of the Regulation, Rules or the Bye-laws.

Board of Supervision.

81. The Board of Supervision shall come into existence two years after the opening of the Bank. The appointment, suspension, and removal of the members of the Board, the procedure at its meetings and the powers to be exercised and the duties to be performed by it shall be regulated in accordance with the Rules to be prescribed by Government under the Co-operative Societies Regulation.

General Body.

82. Subject to the general control of Government and of the Registrar of Co-operative Societies, the ultimate authority in all matters relating to the administration of the Bank shall be the General Body of members who shall meet from time to time and at least once a year to conduct the work of the Bank. The first ordinary general meeting of the General Body shall be held at the end of one year from the date of the registration of the Bank. The following among other matters shall be dealt with by the General Body :—

(i) The election and removal of their representatives on the Board of Directors and the Board of Supervision;

(ii) The annual report due to the Registrar of Co-operative Societies;

(iii) The Registrar's annual audit order;

(iv) The amendment or repeal of any existing by-laws or the enactment of a new bye-law;

(v) The expulsion of a member;

(vi) The consideration of any complaint which any individual member may prefer against the Board of Directors;

(vii) Appeals against the decision of the Board of Directors removing a person or Society from membership.

83. A meeting of the General Body of the members may be convened by the Board of Directors whenever necessary for the conduct of the business of the Bank and shall be so convened at the request of fifteen or more members, or at the instance of the Registrar of Co-operative Societies.

84. The quorum for a meeting of the General Body shall be 25 or one-fourth of the total number of members on the list at the time, whichever is less.

85. The President, if present, shall preside at the meetings of the General Body. In the absence of the President the members present may elect a Chairman from their number to preside at the meeting. Every member present shall have one and only one vote. Voting by proxy shall not be allowed. All questions shall be decided by a majority of votes of the members present and voting. When votes are equal, the Chairman of the meeting shall have a casting or second vote. Minor heirs or legal representative of deceased members, if admitted to membership under bye-law 16(*a*), shall have no voting power. In the case of a society shareholder, any member of the society, duly authorised in that behalf by the society, may attend in person and vote in person. Even if the same member is an individual shareholder of the Bank and also a representative of the Society, he shall not have, on that account, more than one vote.

86. Seven clear days' notice shall be given to members for a meeting of the General Body. The notice shall specify the day, hour and place of meeting and shall also be accompanied by an agenda paper showing the business to be brought up before the meeting.

87. No amendment to, alteration in, or cancellation of a bye-law and enactment of a new bye-law shall be made except at a general meeting of the members or shall take effect until it shall have been approved by Government.

88. All other matters concerning the organisation and the working of the Bank as well as the remuneration, if any, which the members of the Board of Directors, the Board of Supervision, the local agents and the auditors may receive shall be regulated by resolutions passed by the General Body and approved by Government. Provided that in the interval between the registration of the Bank and the first ordinary general meeting of the General Body, such matters shall be regulated by subsidiary instructions to be issued by Government.

Miscellaneous.

89. Government may at any time, order a revaluation of the properties mortgaged to the Bank in order to ensure that the properties so mortgaged have not deteriorated. When, as a result of such valuation, the security is found inadequate, the Bank shall have power to demand additional security from the party responsible.

90. The accounts of the Bank shall be audited at least once a year by a duly certified auditor. The Government may have the accounts of the Bank audited whenever they consider it necessary by any person to be deputed by them.

91. The Bank's year shall begin on the 1st of July and end on the 30th of June following.

92. Within one month after the close of the Bank's year the Board of Directors shall publish annually:

(*a*) a balance sheet showing the assets and liabilities of the Bank;

(*b*) a profit and loss account; and

(*c*) a statement showing the receipts and disbursements for the year.

-E.